

OECD composite leading indicators continue pointing to expansion

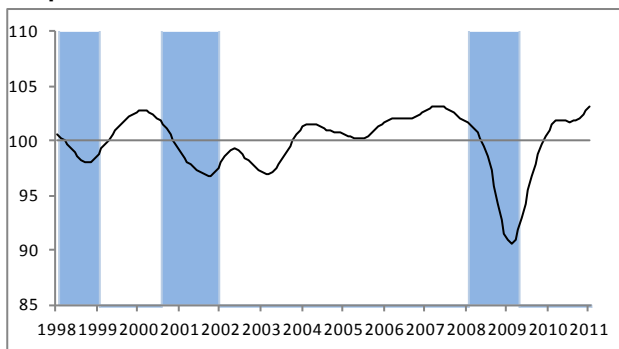
Composite leading indicators (CLIs) for January 2011, designed to anticipate turning points in economic activity relative to trend, continue pointing to expansion in most OECD countries.

The CLIs for **Germany, Japan, and the United States** continue pointing to robust expansion relative to trend. Signs of regained growth momentum characterise the CLIs for **France and Canada**. The CLI for the **United Kingdom** points to a slow but stable pace of expansion. The CLI for **Italy** continues pointing to a moderate downturn.

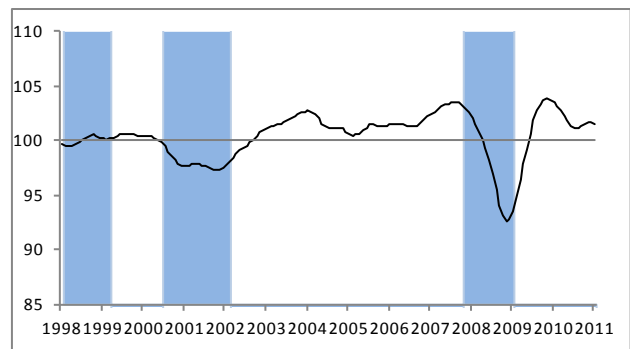
The CLIs for other major economies are little changed from last month's assessment. The CLI for **China** continues pointing to the possibility of a moderate downturn. The CLI for **Brazil** remains near its long-term potential. The CLI for **India** continues pointing to a slowdown relative to trend and the CLI for **Russia** continues pointing to expansion.

The OECD Development Centre's new Asian Business Cycle Indicators (ABCIs) suggest that ASEAN economies are likely to maintain growth momentum ([Read more](#)).

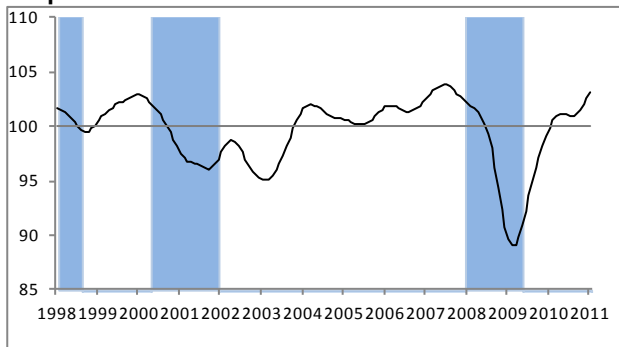
Expansion in the OECD area



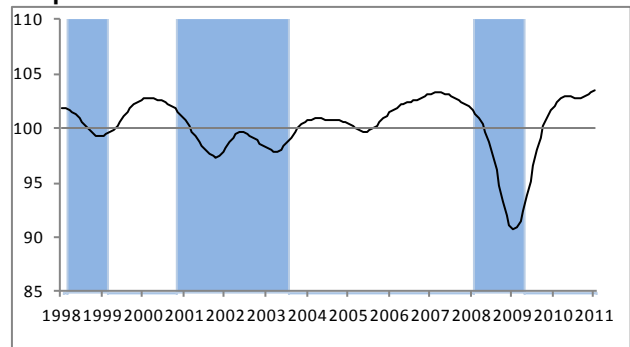
Possible moderate downturn in China



Expansion in the United States



Expansion in the Euro area



The above graphs show for each country the outlook for economic activity based on the CLIs. CLIs attempt to indicate turning points in economic activity approximately six months in advance. Shaded areas represent observed downturns (measured from peak to trough) in the de-trended industrial production (the reference series for economic activity).

Methodological Notes:

The CLI methodological notes are available at: <http://www.oecd.org/dataoecd/22/47/44728410.pdf>

Access data:

CLI data is available at: http://stats.oecd.org/wbos/default.aspx?datasetcode=MEI_CLI

The OECD Development Centre's ABCIs are available at: www.oecd.org/dev/asiapacific/abcis

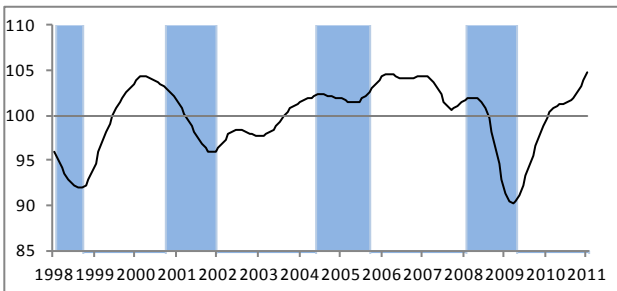
Contacts:

For further information journalists are invited to contact the OECD's Media Relations Division on (33) 1 45 24 97 00 or e-mail news.contact@oecd.org.

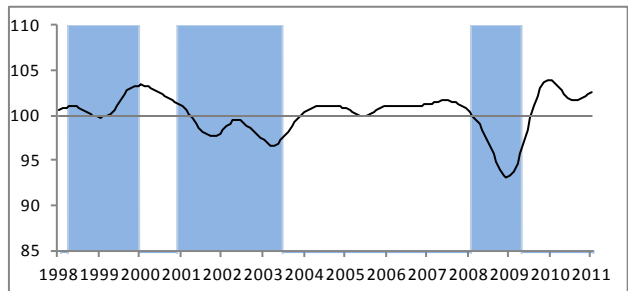
For technical questions contact stat.contact@oecd.org

Next release: 11 April 2011

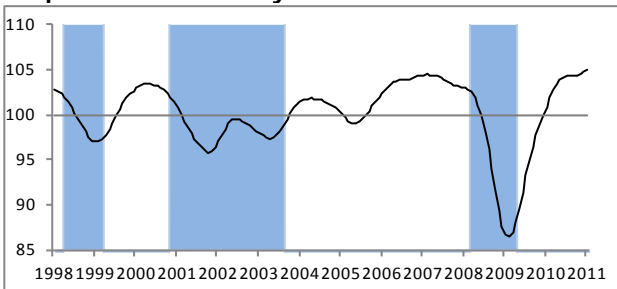
Expansion in Japan



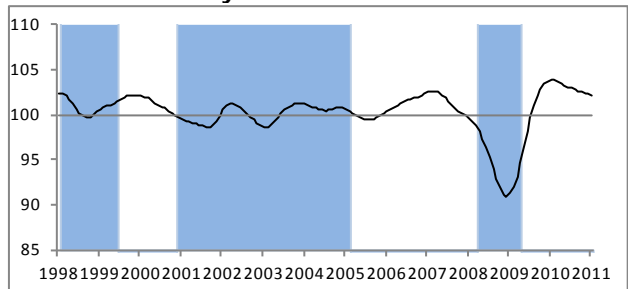
Regained growth momentum in France



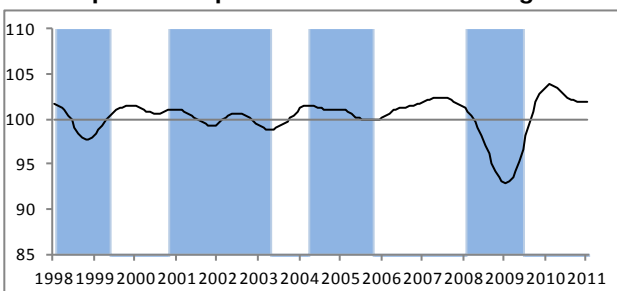
Expansion in Germany



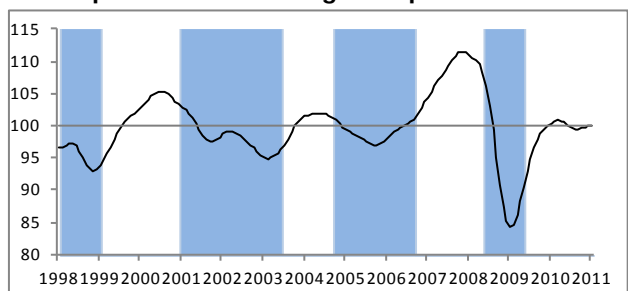
Downturn in Italy



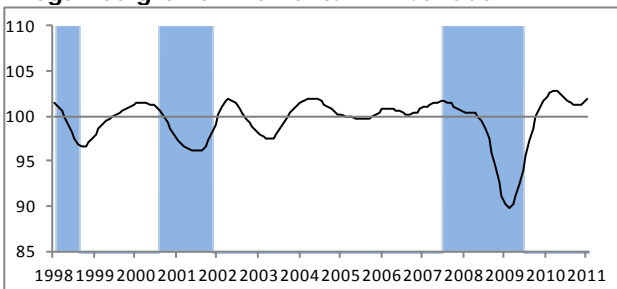
Stable pace of expansion in the United Kingdom



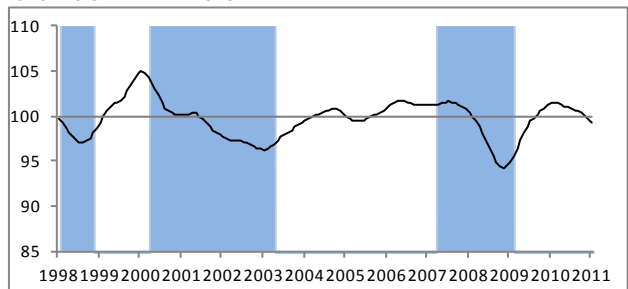
Stable pace around the long-term potential in Brazil



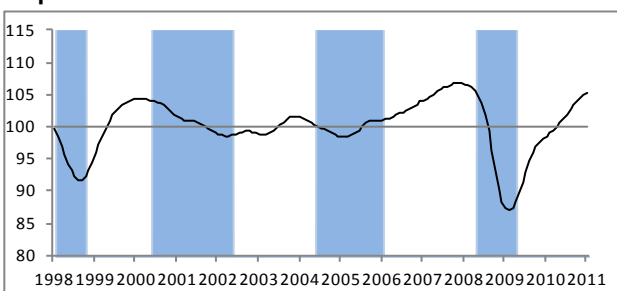
Regained growth momentum in Canada



Slowdown in India



Expansion in Russia



Note: The horizontal line 100 shows the long-term trend in industrial production (the reference series). *Expansion* denotes a CLI increasing above 100; *downturn* a CLI decreasing but still above 100; *slowdown* a CLI decreasing below 100; *recovery* a CLI increasing but below 100.

Table 1: Composite Leading Indicators

	Ratio to trend, amplitude adjusted					Change from previous month					Year on Year change (points)	Growth cycle outlook**
	(long term average =100)					(points)						
	2010		2011			2010		2011				
Sep	Oct	Nov	Dec	Jan	Sep	Oct	Nov	Dec	Jan			
OECD Area	101.9	102.1	102.4	102.8	103.1	0.1	0.2	0.3	0.3	0.4	2.1	expansion
Euro Area	102.8	102.9	103.1	103.3	103.4	0.0	0.1	0.2	0.2	0.2	1.4	expansion
Major Five Asia*	101.3	101.5	101.6	101.7	101.8	0.1	0.2	0.1	0.1	0.1	-0.4	downturn
Major Seven	101.9	102.1	102.5	102.9	103.4	0.1	0.2	0.4	0.4	0.5	2.5	expansion
Canada	101.2	101.2	101.3	101.6	101.9	-0.2	0.0	0.1	0.2	0.3	-0.3	regained growth momentum
France	101.8	102.0	102.2	102.4	102.6	0.1	0.2	0.2	0.2	0.2	-1.3	regained growth momentum
Japan	102.0	102.5	103.2	103.9	104.7	0.3	0.5	0.6	0.7	0.8	5.0	expansion
Germany	104.3	104.4	104.5	104.7	105.0	0.0	0.1	0.2	0.2	0.3	4.1	expansion
Italy	102.6	102.5	102.4	102.3	102.2	-0.1	-0.1	-0.1	-0.1	-0.1	-1.6	downturn
United Kingdom	102.1	102.0	102.0	101.9	101.9	-0.1	-0.1	0.0	0.0	0.0	-1.8	stable pace of expansion
United States	101.1	101.5	101.9	102.5	103.2	0.2	0.3	0.5	0.6	0.6	3.3	expansion
Brazil	99.4	99.6	99.8	100.0	99.9	0.0	0.2	0.2	0.2	0.0	-0.5	stable pace of expansion
China	101.3	101.6	101.7	101.7	101.6	0.2	0.2	0.1	0.0	-0.1	-1.9	possible moderate downturn
India	100.5	100.3	100.0	99.7	99.3	-0.2	-0.2	-0.3	-0.3	-0.4	-2.2	slowdown
Russia	103.4	104.0	104.6	105.0	105.4	0.7	0.6	0.6	0.5	0.3	6.8	expansion

* China, India, Indonesia, Japan and Korea.

** Growth cycle phases of the CLI are defined as follows: expansion (increase above 100), downturn (decrease above 100), slowdown (decrease below 100), recovery (increase below 100). CLI data for 33 OECD member countries and 6 OECD non-member economies available at: http://stats.oecd.org/wbos/default.aspx?datasetcode=MEI_CLI

Table 2: Historical Performance of CLI and Recent Cyclical Turning Points in the Reference Series

	CLI Historical Performance			Recent Turning Point dates in the reference series					
	Lead at all turning points			Dates marked with (P) are provisional turning points					
	start year	mean	st. dev.	trough	peak	trough	peak	trough	peak
OECD Area	1961	6	3.5	Jan 2002			Feb 2008	May 2009 P	
Euro Area	1963	7	3.1	Jul 2003			Mar 2008	May 2009 P	
Major Five Asia*	1983	8	5.8	Dec 2001	May 2004	Jun 2005	Jan 2008	Mar 2009 P	Apr 2010 P
Major Seven	1959	6	3.7	Jan 2002			Mar 2008	May 2009 P	
Canada	1956	8	3.7	Nov 2001			Aug 2007	Jun 2009 P	
France	1962	7	4.9	Jul 2003			Feb 2008	Apr 2009 P	
Japan	1959	6	4.5	Dec 2001			Mar 2008	Apr 2009 P	Jun 2010 P
Germany	1961	5	4.0	Jul 2003			Mar 2008	May 2009 P	
Italy	1973	7	5.8			Feb 2005	Mar 2008	May 2009 P	
United Kingdom	1958	7	5.2	Apr 2003	Apr 2004	Aug 2005	Feb 2008	Jun 2009 P	
United States	1955	5	3.4	Dec 2001			Feb 2008	May 2009 P	
Brazil	1989	5	2.3	Jun 2003	Oct 2004	Aug 2006	May 2008	Apr 2009 P	Apr 2010 P
China	1990	6	4.9	Jan 2002			Jan 2008	Feb 2009 P	Jan 2010 P
India	1994	4	2.7	Apr 2003			Mar 2007	Feb 2009 P	Feb 2010 P
Russia	1993	3	2.3	Jul 2002	Jun 2004	Sep 2005	Apr 2008	May 2009 P	

* China, India, Indonesia, Japan and Korea